

Draft No. 2

GENERAL

A. NSC Policies:

1 There is a requirement for a national strategy determined by top national military, economic, and diplomatic planners on the basis of feasible and practical allocation of world-wide U. S. military and economic resources.

2 Generally speaking, because *maintaining consistency in* overt manifestations of United States policy have a direct effect on consistent covert operations, it is imperative that the U. S. adopt a firmer attitude and pursue a more aggressive policy which would force the Soviets to resort to defensive rather than offensive tactics.

3 CIA is hardly in a position to state its policy requirements until there is a national strategy designed with policy guidances which are capable of being translated into effective national actions. To date, current policies have rarely been spelled out in the detail required to guide the development of programs to attain U. S. objectives.

4 When courses of action for achieving national objectives are established by the U. S. at the top government level, then CIA can develop internal policies leading to actions designed to achieve the general U. S. objectives.

5 There is need for a policy to provide specific responsibility for planning and executing strategic deception plans and operations in the promulgation of the national psychological warfare programs. *and propaganda Political Action, see warfare?*

6 Specifically, there is a need for a reevaluation of that portion of NSC 10/2 which states that U. S. participation must not be indicated. In some cases this particular requirement is unrealistic and detracts from a forceful positive approach.

*PW only?*  
*Enter*  
A review of NSC 10/2, Paragraph 4, is required to spell out the command relationships of covert assets generated by CIA in concert with Allied nations during peacetime for military wartime use. Many of these assets are basically Allied assets developed through tripartite and multilateral agreements. No mention is made in the existing NSC 10/2, Paragraph 4, as to who shall command and use these covert assets in wartime.

On the basis of

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*U.S. Trade only?*

On the basis that clandestine effort is designed only to support the national policy, an unequivocal and definitive statement of U. S. foreign economic policies is necessary in order that CIA can provide a more effective covert support. For example, it is not clear whether the U. S. favors trade in peaceful goods with the Soviet orbit or whether it should place an embargo on shipments of all kinds to the Soviet orbit.

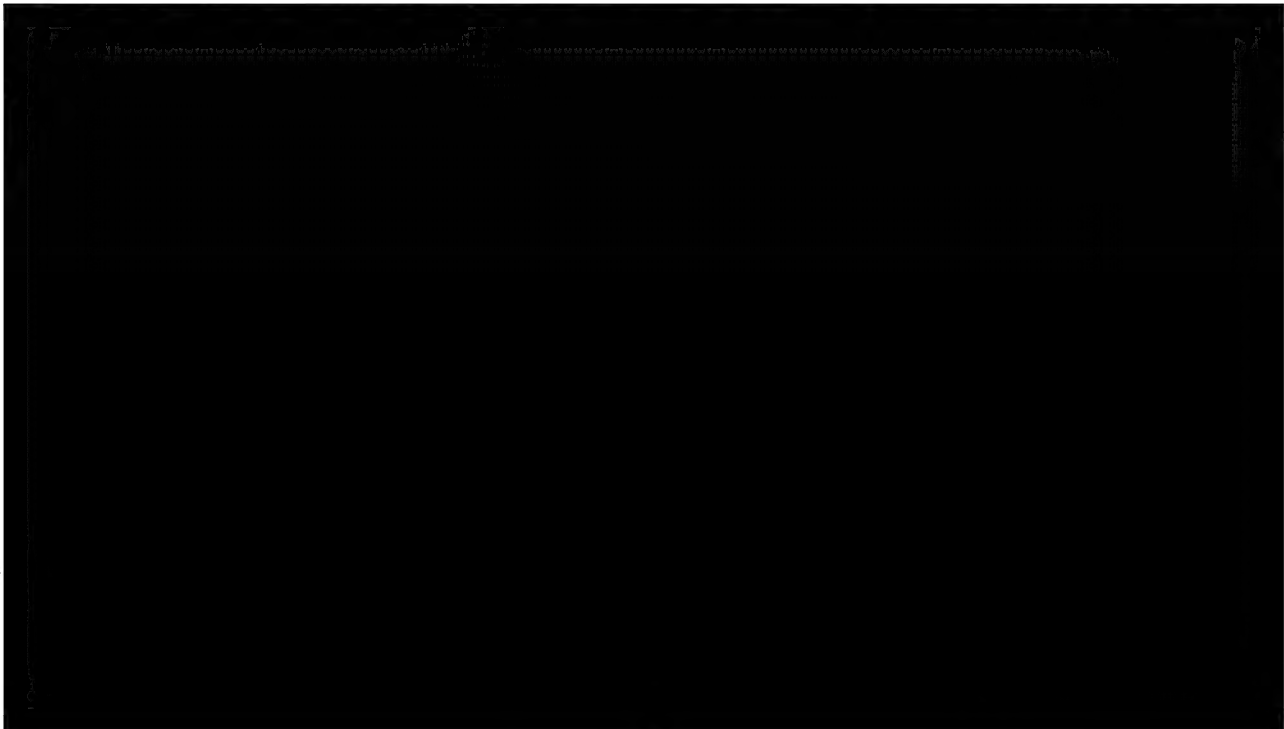
*no more than full control*

After establishing definitive statements of U. S. foreign economic policies, delineations should be made within that part of the foreign economic policies which are the concern of economic warfare.

There is a requirement for policy authorization for the use of "Titoism" (defined here as the particular deviation from Stalinism of the Communist Party in Yugoslavia) on a world-wide basis by the covert offices of CIA as a wedge in splintering the Communist forces located in any part of the world.

B. Inter-Departmental Policies:

It should be emphasized as a policy that covert programs cannot conceivably operate unilaterally with any expectation of success, and accordingly, CIA's covert capability should not be considered a determining factor in devising U. S. strategy or in developing U. S. programs in pursuance of that strategy.



A clear cut

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25X1C A clear-cut assignment of the responsibility for economic warfare should be made to one government agency. While DIA has the

*with present + content*



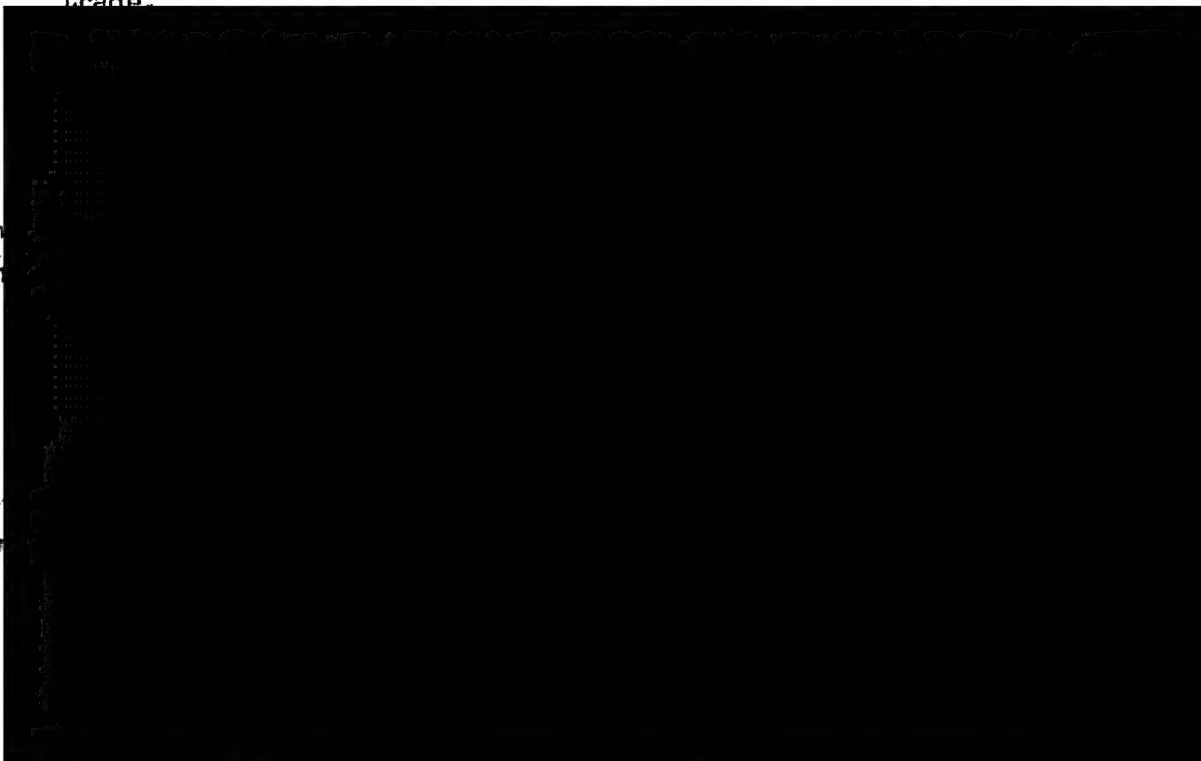
C. Internal Agency Policies:

The following CIA proposed programs require clarification of certain policy questions:

*FI/PP* Intensification of effort to locate the sources and individuals involved in illegal East-West trade.

An intensive propaganda campaign designed to publicize, discredit, and intimidate Western participants in illegal East-West trade.

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Specific acts

Next 1 Page(s) In Document Exempt

WESTERN EUROPE

25X1C A. NSC Policies:

*but identified as U.S.?*

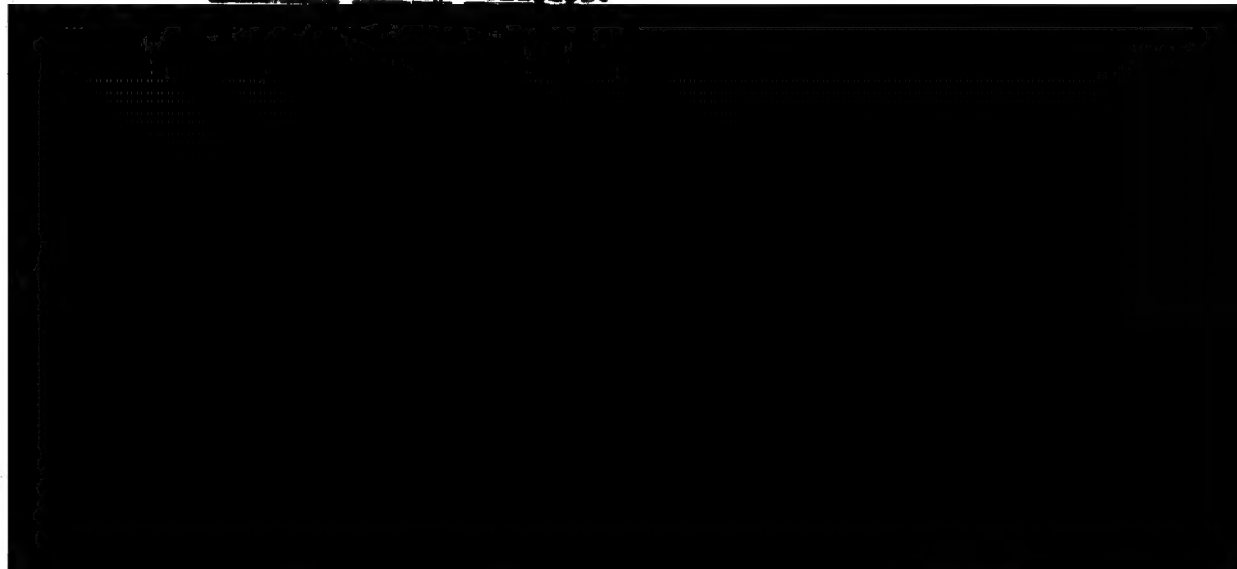
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B. Inter-Departmental Policies:

There is a policy requirement to establish a basic tie between the present Spanish government and the U. S., as well as with other U. N. nations, which would assure an evolution of economic and social structures within Spain to the point that they would be admitted into international organizations such as the Council of Europe, NATO, and The Organization of European Economic Cooperation.

25X1C C. Internal Agency Policies:



EASTERN EUROPE

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Concern with statements related to Econ. warfare, NSC wise wholeheartedly. Would add that there is a need for the establishment of priority of Economic warfare, with cold war planning in general. Such guidance is necessary in the formulation of EW facilities at the country desk level.  
W.A.

with regard to other types of clandestine activity such as Psych. Warfare, Political Warfare and Stay behind action in Paramilitary field -

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